

Arizona State Board for Charter Schools

September 13, 2004

Executive Tower

1700 West Washington Street

Phoenix, Arizona 85007

Basement Room 56

MINUTES

Members Present

Kurt Davis – President

Kimberly Mosher– Vice President

Mary Gifford – Superintendent’s Designee
(telephonically)

Lynne Adams – Public Member

David Hume-Business Member

Cassandra Larsen - Public Member

Jose Gabriel Loyola – Public Member

Mary Lynn Kelly -Business Member

Onnie Shekerjian- Public Member

Members Absent

Senator Linda Aguirre - Advisory

Representative John Huppenthal - Advisory

Representative Ted Carpenter - Advisory

Meeting began at 9:04 AM

Agenda Item A: Pledge of Allegiance

Agenda Item B: Moment of Silence

Agenda Item C: Roll Call: Traci Sawyer-Sinkbeil
called the roll and confirmed a quorum.

Agenda Item D: Call to the Public
None at the beginning of the meeting.

Agenda Item E: Consent Agenda –
President Davis requested Consent Agenda Items #2 & 3
be tabled until the next board meeting.

1. Acorn Montessori Charter School—Request to add
sixth grade to existing K-5 charter.

2. Aztlan Academy—Request for an exception to
Procurement.

3. Aztlan Academy—Request for an exception to
USFRCS.

4. E-cademie, Inc.—Request for an exception to the
USFRCS and Procurement.

5. Flagstaff Junior Academy—Request for an
exception to the USFRCS.

6. Happy Valley School, Inc.—Request for an
exception to the USFRCS and Procurement.

7. Kestrel Schools, Inc.—Request to change school
mission.

MOTION

Motion by Kimberly Mosher to approve the Consent Agenda
minus Items #2 & 3. Motion seconded by Jose Gabriel Loyola.

**Motion passes
(Kelly abstained)**

8. Life Skills Center of Arizona, Inc.—Request to reduce the number of contractual days from 225 to 193.

9. Northern Arizona Academy for Career Development, Inc.—Request to change graduation requirements.

10. Triumphant Learning Center—Request for an exception to the USFRCS and Procurement.

11. Twentyfirst Century Charter School, Inc. aka Venture Academy—Request for an exception to Procurement.

12. Twentyfirst Century Charter School, Inc. aka Venture Academy—Request for an exception to USFRCS.

13. Vista Charter School—Request to change graduation requirements.

Agenda Item F: Superintendent's Report

Mary Gifford stated that the ADE is still waiting on the USDOE's response to the Arizona Attorney General's opinion that for-profit charter schools are public schools.

Mary Gifford left the meeting at 9:20am

Agenda Item G: Executive Director's Report

1. Status of on-going board actions:

Kristen Jordison provided to the Board an updated status report, which included an update on the status of each audit. Seven schools have not submitted their audit. If these audits have not been submitted prior to the October meeting, pursuant to Board policy, the schools will be brought before the Board for consideration to issue a notice of intent to revoke the charter.

The Board has two pending notice of intent to revoke for Rolling Hills Charter School and Wide Ruins Community School. The worksheet describes the status of each.

2. The State Board of Education (SBE) met on August 30th. Kristen provided the following update:

A copy of the 2004 parent survey that was commissioned by the SBE in conjunction with the Department of Education was given to the Board. The purpose of this study was to measure parents' satisfaction with the Arizona public school system.

Certification Reform Update – The SBE is currently working on writing rules in the areas of Alternative Paths, Certificate Renewal, Reciprocity, and Administrative Certificates. A draft of these rules will be presented to the SBE in September.

Online Certification – By the end of December the SBE will have a fully functional on-line certification system.

This system will provide data to on those individuals that are certified and where they are teaching. Staff will be working with the SBE and the Department on how charter schools may choose to be included in this system for their non-certificated personnel so that they can be tracked and provide additional information to the public.

Kristen briefed the Board on the adoption of Arizona Learns formulas for small schools, K-2 schools, and alternative schools. For the past two years many charter schools have not received an Arizona Learns label due to the size of their school or the their classification as an Alternative school. On October 15th the Arizona Learns labels will be released and all charter schools that are at least in their 4th year of operation will receive an Arizona Learns label. One area of concern for the Superintendent and some of the members of the State Board of Education was the formula and labels for Alternative schools. In the Arizona Learns statute it allows for a different formula for labeling alternative schools. In the past the SBE has adopted a definition of an alternative school which requires the school to expressly serve a specific student population that will benefit from an alternative school setting but has not adopted a formula to label these schools. To be considered an alternative school, schools submit an application that is reviewed by a panel and approved by the SBE. Currently approximately 50 charter schools are considered alternative but new applications to be considered this year. The two concerns of the Alternative formula were that the evaluation method was not strong enough and that it would generate the same label names as the regular formula potentially causing confusion when evaluating the quality of a school.

At the October board meeting staff will provide the Board with additional detail and information about these formulas and the statutory responsibilities of this Board in relation to the labels.

Christy Farley, the Executive Director of the State Board of Education answered questions from the Board.

3. The deadline for the submission of applications for the 2005-2006 school year was August 6, 2004. The application was first available to applicants after the Board approved it in March. The application deadline was clearly stated in multiple places with information detailing the completeness review process as well as the substantive review process. The staff reviews each application to ensure that it contains all of the elements as outlined on the checklist. If an element or elements are missing the application is deemed incomplete and may be resubmitted if the deadline has not passed.

A total of 31 applications were received, representing 26

unique applications. Fifteen complete applications will be moving forward. Eleven incomplete applications may apply again in the next cycle when the new application becomes available in March.

Complete applications will be forwarded to the Technical Review Panel for scoring. We are currently recruiting individuals from the business and banking communities to assist with this process as well as current compliant charter school operators and staff.

4. Kristen stated to the Board approved a review and follow-up process for the annual audit & compliance questionnaire last fall. And the process went very smoothly this year. The staff has now completed the review of 255 audits and all schools have received a letter in response. Of the 255 audits reviewed 22 schools provided excellent audits and received a positive letter, 150 schools received a letter that required no additional action, and 79 schools were required to submit a corrective action plan. Schools were given 30 business days to respond. Most of the CAPS were due on 9/10/04 and the remaining are due between 9/10/04 and 10/20/04. Of the CAPS that were due Friday we have received 59. Staff will follow-up with the remaining 20 schools to notify them that they must submit the CAP or they will be placed on the Board's October agenda for possible withholding of 10% of their monthly state aid.

We have also received our first FY 2004 audit from Montessori House and were very pleased to see it submitted so promptly. The FY 2004 audit deadline is November 15th.

5. Budget & PIJ

Kristen provided the appropriation summary for the FY 2005 budget and the request for 2006 & 2007 that was submitted to the Governor's Budget Office on September 1st. Kristen will be working closely with the both the Governor's Budget Office and the Legislative Budget office in hopes that they will both include staffs' requests in their recommendations. Additionally, a Project Investment Justification (PIJ) was submitted to the Government Information Technology Agency that provides the justification and costs for the development of the database that was included in the budget.

6. Kristen shared with the Board several committees or groups that she and staff participate in on behalf of the Board. She briefly mentioned the role in each of these and when appropriate will update the Board on the activities of the committees:

- ABEC has quarterly meetings and
- State Intervention is a stakeholder advisory group for ADE's as they begin to consider and

develop process for State Intervention as prescribed Arizona Learns for failing schools. This group has met twice and will continue to meet as the Department further defines this process.

- State Forum on Tapping the Potential of Minorities in Education
- AZ Leads- A taskforce of the Superintendent to develop a leadership academy to support effective leaders in the education community. This taskforce meets quarterly.
- EEOC – DeAnna participated in a forum on July 29th sponsored by the Phoenix District office of the EEOC to explore ways agencies can reach teens about discrimination in the workplace. Subcommittees have been created to work on specific areas. We have extended an invitation to the Charter School Association to attend these meetings in the future.
- Transitions Leadership Committee – Traci serves on this committee to help provide linkages to services available for disabled students transitioning from elementary to high school and from high school to the workforce or higher education.
- Additionally, Lee sits on the Department's **Accountability Working Group (AWG)** –and the **State Accountability And Assessment Committee (SAAAC)**.

Additionally staff takes advantage of various training provided by the Department of Education so they remain informed. For example, Lee and DeAnna are now certified Solution Teams members.

7. Kristen provided a calendar to the Board of upcoming meetings. The Board discussed the location options for meetings outside of the Phoenix Metropolitan area.

Agenda Item H: Subcommittee Reports and Action Items

1. Charter Oversight/Strategic Planning and Implementation Committee Report—Update and review of committee actions—Cassandra Larsen.

No action taken

2. Legislative Committee Report—Update and review of committee actions—Mary Gifford
A brief update was provided by Gabe Loyola and Kimberly Mosher.

No action taken

Agenda Item I: Action Items:

1. Horizon's Challenge Charter School--

Kristen provided a brief history of Horizon's Challenge Charter School. Horizon's Challenge Charter School began operating as a charter school in the fall of 2003

serving approximately 25 students in grades 5-8 on a campus they shared with Horizon's Back to Basics and Scottsdale Horizons. This school year the school relocated to a site on Palm and Central and served students in grade K-8. In addition to the relocation the school did a significant amount of reorganization to their governance structure and operations.

The school amended their charter to include changes to the corporate board, added Don Ring as an authorized signer on the charter contract, and increased their enrollment cap from 90 to 500 students.

Currently, Marcia Lee and Don Ring are authorized signers for the charter.

The school began providing instruction to students on August 16th and ceased operations on September 3rd.

On September 7th Kristen was informed by a board member of the school that the board had met on September 4th and made the decision to close the school.

On September 9th Kristen sent a letter that requests additional documentation regarding the facts of this case as well as specific student information.

Kristen stated she had also been told by the school's attorney that they would be willing to surrender their charter back to the board. If this is an option the Board would like to pursue she would be happy to work with the school and our legal council to draft a document for your consideration in October. Staff does not believe that delaying action will have any bearing on this case as the school is closed and all funding streams from the state have been stopped.

Harry Keiden, attorney for Don Ring, stated that Don Ring entered into an agreement but never received any money from the school.

The Board ordered that the school work with the staff to provide the requested documentation as well as develop a plan for the repayment of state aid for the October meeting.

2. Charter School Contracts—Discussion and possible action to adopt clarifying changes and suggested revisions to the charter contract.

Kim Anderson, Assistant Attorney General, provided information on the requested changes. The requested changes are conforming changes that were made to the transfer contract.

The Board requested that this item be placed on the

MOTION

Motion made by Cassandra Larsen to direct staff to draft a consent agreement of the surrender for **Horizons Challenge Charter School** for consideration at the October meeting. Motion seconded by Onnie Shekerjian.

Motion passes unanimously

October agenda for a side by side review with the transfer contract. A summary of changes was requested and will be provided in October.

Agenda Item J: Approval of Minutes

July 12, 2004

MOTION

Motion made by Kimberly Mosher to approve the minutes of July 12, 2004. Motion seconded by Jose Gabriel Loyola.

Motion passes unanimously

Agenda Item D: Call to the Public

Mary Lynn Kelly informed the Board that Challenger Space Center will be hosting a teacher's night and invited those interested to participate.

Two former teachers from Horizon's Challenge expressed their concern regarding the sudden closure of the school and issues before the closure with the management company.

The Board expressed concern about the children. Kristen provided additional background information for the Board on how staff responded to this sudden closure.

Agenda Item K: Adjournment

MOTION

Motion by Jose Gabriel Loyola to adjourn the meeting. Motion seconded by Lynn Adams.

Motion passes unanimously

The meeting adjourned at approximately 11:05 am.

Signature

Date